

SENATE BILL 3131
By Woodson

AN ACT to amend Tennessee Code Annotated, Title 7, Chapters 53 through 67; Title 13, Chapters 20 through 23 and Title 67, Chapter 5, relative to the reporting requirements for corporation lessees receiving abatement of local property taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-53-305, is amended by deleting subsection (e) in its entirety and by substituting instead the following:

(e)

(1) Before October 1 of each year, the corporation lessee shall submit to the state board of equalization an annual report containing a list of all the real and personal property owned by the corporation and its associated entities and subsidiaries; the value of each listed property as estimated by the lessee of property; the date and term of the lease for each listed property; the amount of payments made in lieu of property taxes for each listed property; the date each listed property is scheduled to return to the regular tax rolls; a calculation of the taxes that would have been due for each listed property if the properties were privately owned or otherwise subject to taxation; the exact location of the property; any pro-rating of the payment in lieu of taxes; the amount of rents; the amount of leasehold taxes; the amount of actual property taxes paid; any changes in name since the last filing; and how the payments in lieu of taxes are allocated according to the economic development agreement.

(2) Each lessee of the corporation shall be responsible for the timely completion and filing of the report, and failure to timely complete and file the

report shall subject such lessees to a penalty; provided, that no lessee shall be liable who has provided the state board of equalization information required by this section insofar as may be pertinent to property leased by the lessee from the corporation. The penalty for late filing shall be fifty dollars (\$50.00) for each day the report is late up to a maximum of five hundred dollars (\$500) and the maximum penalty shall accrue interest at the rate of one and one-half percent (1½%) per month plus any cost of collection.

(3) The state board of equalization shall audit the data reported above to the state on all payment in lieu of tax agreements and conduct comparative analysis to ensure that all agreements are reported to the state.

(4) The state board of equalization shall work with county assessors to identify lessees, secure complete and accurate lessee information, get filing forms to all lessees, and provide assessors with copies of all the lessee forms filed from that county.

(5) These reporting requirements shall apply to lessees of public building authorities, sports authorities, enterprise zone development corporations, tax increment financing projects, and city and county property.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.